

Network Services

"The Credibility
Challenge"

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"The Credibility Challenge"

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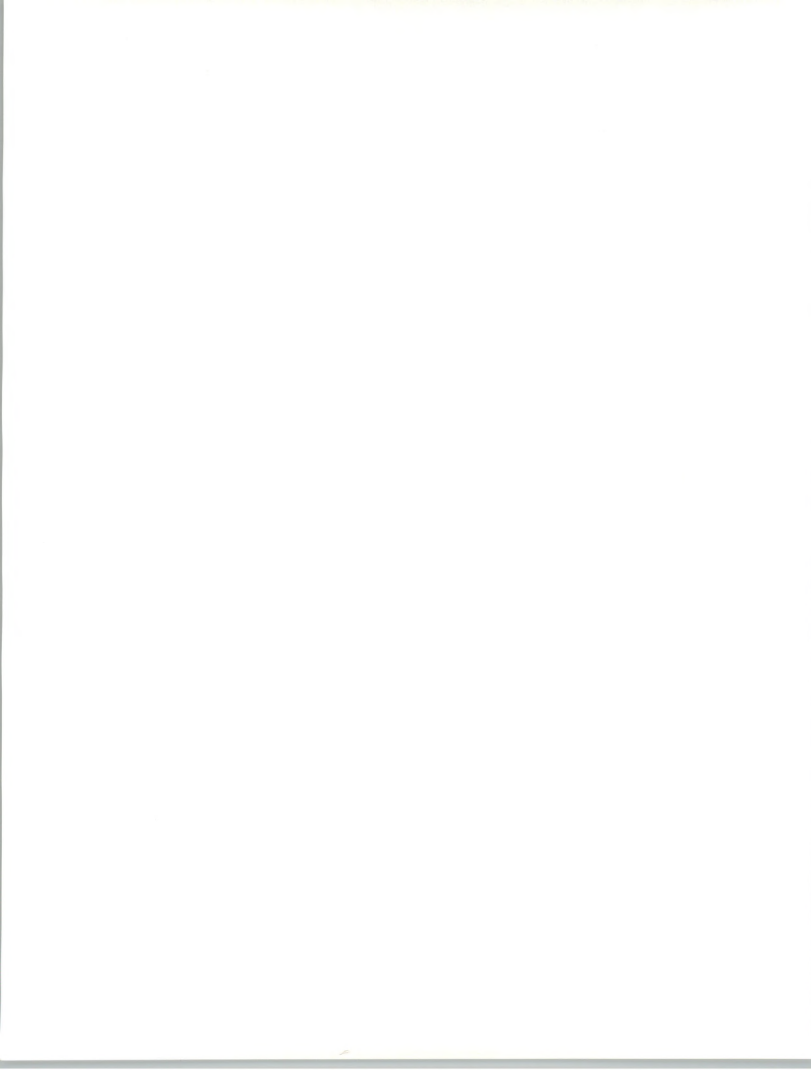
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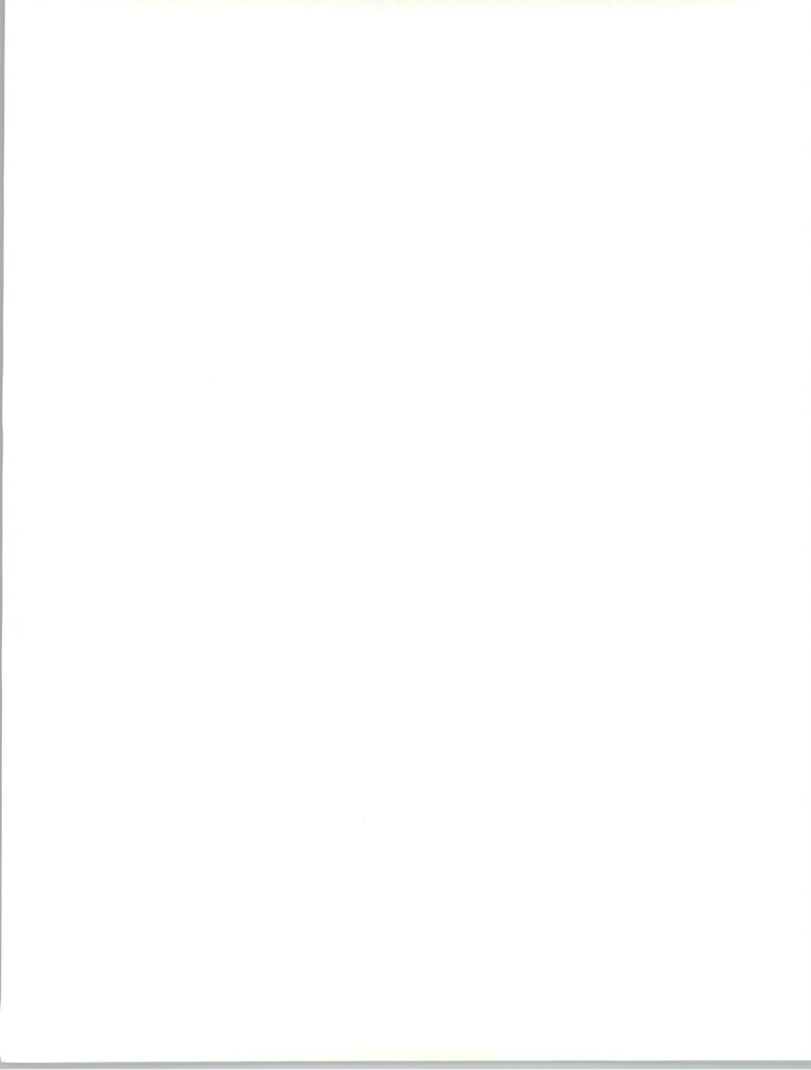
Network Services "The Credibility Challenge"

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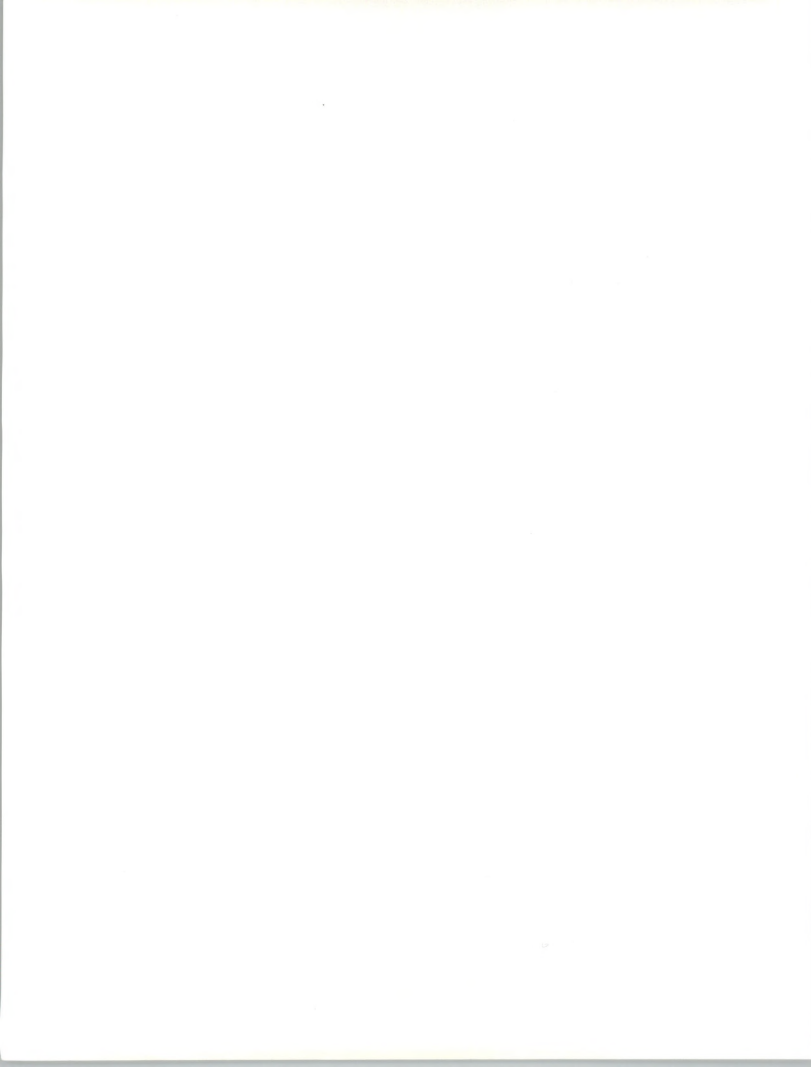
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Network Services
“The Credibility Challenge”

Amanda Southern
Consultant



Vendor Direction

Utility → Value added

Technology → Business

Global reach → Account management

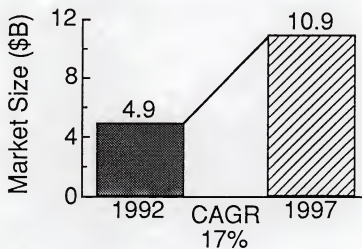
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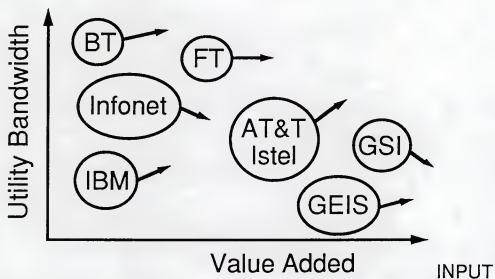
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Vendor Positioning

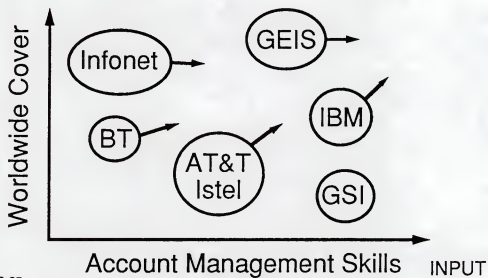


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Vendor Positioning

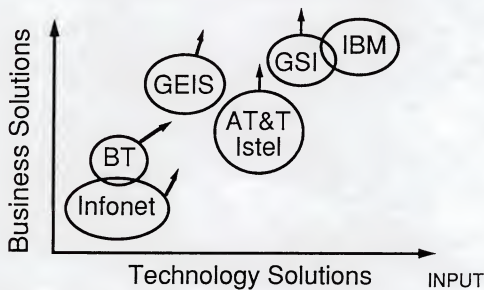


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Notes



Vendor Positioning



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GEIS is moving from
network to business and
consultancy services.

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Infonet has excellent
local partnerships and
knowledge, but suffers from
a lack of cohesion.

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BT has to provide
added value in order not
to be relegated to utility
bandwidth provision.

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For **IBM**, network services
is a necessary addition to
the portfolio in order to
retain large accounts.

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AT&T Istel has plans to be
in the 'Top Five' by leveraging
U.S. client business.

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Vendor Ratings

	IBM	GEIS	AT&T Istel	BT	Infonet
Geog. Cover	H	H	M	M	H
Voice Communications	L	L	M	H	L
Data Communications	H	M	H	H	M

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Vendor Ratings

	IBM	GEIS	AT&T Istel	BT	Infonet
Computing HW and SW	H	M	M	L	L
Support	H	M	M	L	L
Integration Capability	H	M	M	L	L

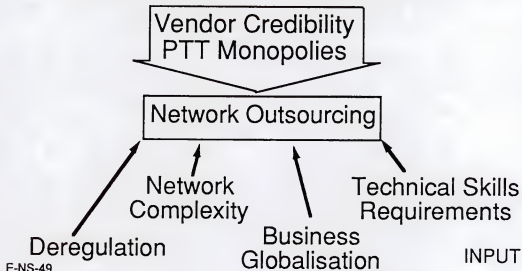
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Network Outsourcing Drivers and Restrictions



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Key User Requirements

- Increased geographic scope
- Freedom of voice communications
- Standardisation of traffic handling
- Simplified management
- Lower wage bills
- Maximise performance

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Major Reservations on Outsourcing

- Loss of control
- Loss of creative management
- Monopoly situation
- High costs
- Unclear vendor strategic direction

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Characteristics of Potential Outsourcing Candidates

- Organisation
 - Network not core business activity
 - Loss industry
 - Strong services orientation
 - Competitors taking lead

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Characteristics of Potential Outsourcing Candidates

- Network
 - Private development low
 - Low in-house management
 - Nationally biased
 - Limited international requirements

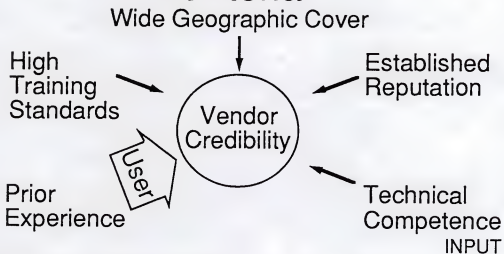
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Key Vendor Selection Criteria



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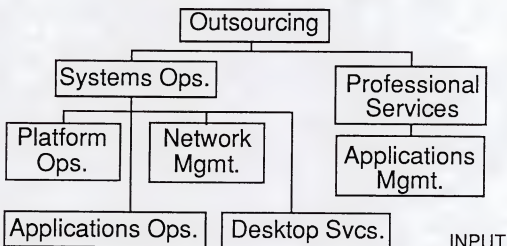
The first part of the paper discusses the importance of the research and the objectives of the study. It then proceeds to a literature review, followed by a description of the methodology used. The results of the study are presented in the next section, followed by a discussion of the findings and their implications. The paper concludes with a summary of the main points and a list of references.

The research was conducted in a systematic and rigorous manner, following the principles of good research practice. The data collected was analyzed using appropriate statistical methods, and the results were presented in a clear and concise manner. The findings of the study are discussed in detail, and their implications for practice are explored. The paper is well-structured and easy to read, and it provides a valuable contribution to the field.

The study was funded by the [funding body], and the authors would like to thank them for their support. The authors also would like to thank the participants who took part in the study, without whom the research would not have been possible. The authors declare that they have no conflicts of interest.

Outsourcing Components

INPUT's View

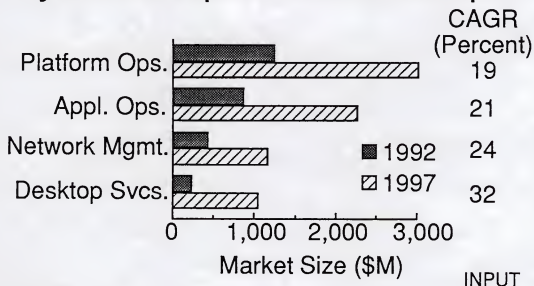


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Systems Operations, Europe



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Network Outsourcing Conclusions from the U.S.

- Costs are reduced
- Network performance improves
- LAN and voice solutions are in the greatest demand

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Network Outsourcing Conclusions from the U.S.

- Preferred vendors are systems integrators
- Platform operations is commonly combined with network

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U.S. Users Achieving

- Significant cost savings
- Reliability and availability improvements
- Increasing levels of satisfaction
- Focus on core business

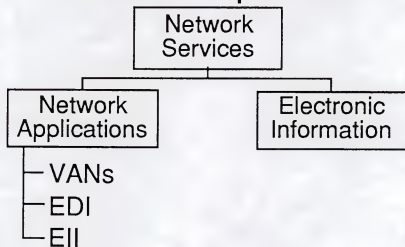
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Network Services Market Components



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Vendor Characteristics

Heritage	IS Industry
Focus	"Top 1,000"
Strengths	Vertical industries
Weaknesses	Geographic cover
Direction	Total solutions

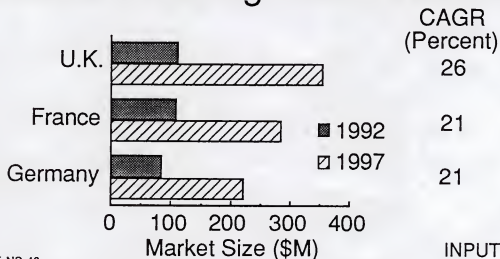
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Major Economy Network Management Markets



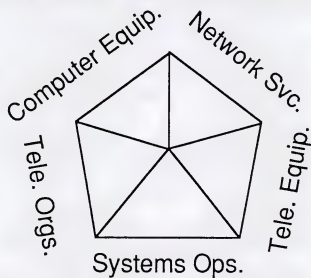
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Vendors Active in Network Outsourcing



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Leading Vendors 1991 Network Applications

	Market Share (%)	Est. Rev. (\$M)
IBM	9.9	110
GEIS	9.5	105
Infonet	9	100
France Telecom	7.2	80

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Leading Vendors 1991 Network Applications

	Market Share (%)	Est. Rev. (\$M)
BT/Tymnet	7.2	80
AT&T Istel	5.4	60
GSI	4.5	50

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Users require close
partnerships with vendors,
based on clearly defined
strategic goals.

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